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UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re : Chapter 11
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DELPHI CORPORATION, et al., : Case No. 05-44481 (RDD)
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Debtors. : (Jointly Administered)
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JOINT STIPULATION AND AGREED ORDER COMPROMISING
AND ALLOWING PROOF OF CLAIM NUMBER 12158
(EATON CORPORATION)

Delphi Corporation and certain of its subsidiaries and affiliates, including Delphi Automotive Systems LLC ("DAS LLC"), debtors and debtors-in-possession in the above-captioned cases (collectively, the "Debtors"), and Eaton Corporation ("Eaton") respectfully submit this Joint Stipulation And Agreed Order Compromising And Allowing Proof Of Claim Number 12158 (Eaton Corporation) and agree and state as follows:

WHEREAS, on October 8, 2005, the Debtors filed voluntary petitions under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101-1330, as then amended, in the United States Bankruptcy Court for the Southern District of New York.

WHEREAS, on July 27, 2006, Eaton filed proof of claim number 12158 against DAS LLC, asserting an unsecured non-priority claim in the amount of \$2,000,000.00 (the "Claim") arising from an alleged breach of contract.

WHEREAS, on June 15, 2007, the Debtors objected to the Claim pursuant to the Debtors' Seventeenth Omnibus Objection (Substantive) Pursuant To 11 U.S.C. Section 502(b) And Fed. R. Bankr. P. 3007 To Certain (A) Insufficiently Documented Claims, (B) Claims Not Reflected On Debtors' Books And Records, (C) Insurance Claim Not Reflected On Debtors' Books And Records, (D) Untimely Claims And Untimely Tax Claims, And (E) Claims Subject To Modification, Tax Claims Subject To Modification, And Modified Claims Asserting Reclamation (Docket No. 8270) (the "Seventeenth Omnibus Claims Objection").

WHEREAS, on July 10, 2007, Eaton filed Eaton Corporation's Response To Debtors' Seventeenth Omnibus Claims Objection (Docket No. 8509) (the "Response").

WHEREAS, on February 19, 2008, to resolve the Seventeenth Omnibus Claims Objection with respect to the Claim, DAS LLC and Eaton entered into a settlement agreement

(the "Settlement Agreement").

WHEREAS, pursuant to the Settlement Agreement, DAS LLC acknowledges and agrees that the Claim shall be allowed against DAS LLC in the amount of \$400,000.00.

WHEREAS, DAS LLC is authorized to enter into the Settlement Agreement either because the Claim involves ordinary course controversies or pursuant to that certain Amended And Restated Order Under 11 U.S.C. §§ 363, 502, And 503 And Fed. R. Bankr. P. 9019(b) Authorizing Debtors To Compromise Or Settle Certain Classes Of Controversy And Allow Claims Without Further Court Approval (Docket No. 8401) entered by this Court on June 26, 2007.

THEREFORE, the Debtors and Eaton stipulate and agree as follows:

1. The Claim shall be allowed in the amount of \$400,000.00 and shall be treated as an allowed general unsecured non-priority claim against the estate of DAS LLC.
2. Eaton shall withdraw its Response to the Seventeenth Omnibus Claims Objection with prejudice.

So Ordered in New York, New York, this 25th day of February, 2008

/s/Robert D. Drain
UNITED STATES BANKRUPTCY JUDGE

AGREED TO AND
APPROVED FOR ENTRY:

/s/ John K. Lyons

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